

**Condensed Consolidated Statement of Comprehensive Income  
For The Quarter and Year-To-Date Ended 31 December 2021**

	Quarter Ended			Year-To-Date Ended		
	31.12.2021 RM'000	31.12.2020 RM'000	Changes %	31.12.2021 RM'000	31.12.2020 RM'000	Changes %
Revenue	328,350	241,089	36%	1,188,919	926,003	28%
Cost of sales	(187,857)	(146,838)	28%	(713,580)	(601,871)	19%
<b>Gross profit</b>	140,493	94,251	49%	475,339	324,132	47%
Other operating income	12,982	5,669	129%	38,410	45,050	-15%
Other operating expenses	(92,713)	(66,275)	40%	(260,799)	(225,338)	16%
<b>Operating profit</b>	60,762	33,645	81%	252,950	143,844	76%
Finance costs	(8,426)	(10,238)	-18%	(41,058)	(47,758)	-14%
Share of profit of an associate, net of tax	7,301	2,157	238%	18,988	8,332	128%
Share of profit of joint ventures, net of tax	22,788	10,367	120%	35,891	24,159	49%
<b>Core profit before taxation</b>	82,425	35,931	129%	266,771	128,577	107%
Gain/(Loss) on foreign exchange	1,878	12,473	-85%	(13,088)	1,665	nm
<b>Profit before taxation</b>	84,303	48,404	74%	253,683	130,242	95%
Taxation	(11,108)	(14,364)	-23%	(52,067)	(39,918)	30%
<b>Profit for the period</b>	73,195	34,040	115%	201,616	90,324	123%
<b>Other comprehensive (loss)/ income</b>						
<i>Item that may be reclassified subsequently to profit or loss:</i>						
Foreign currency translation differences	(5,797)	43,575	nm	34,794	(49,986)	nm
<i>Item that will not be reclassified subsequently to profit or loss:</i>						
Remeasurements of net defined benefit liabilities	1,180	(3,473)	nm	1,180	(3,473)	nm
<b>Other comprehensive (loss)/income for the period, net of tax</b>	(4,617)	40,102	nm	35,974	(53,459)	nm
<b>Total comprehensive income for the period</b>	68,578	74,142	-8%	237,590	36,865	544%
<b>Profit attributable to :</b>						
Owners of the Company	63,433	33,347	90%	169,008	79,487	113%
Non-controlling interests	9,762	693	1309%	32,608	10,837	201%
	73,195	34,040	115%	201,616	90,324	123%
<b>Total comprehensive income attributable to :</b>						
Owners of the Company	59,358	68,827	-14%	199,254	28,252	605%
Non-controlling interests	9,220	5,315	73%	38,336	8,613	345%
	68,578	74,142	-8%	237,590	36,865	544%
<b>Earnings per share attributable to owners of the Company</b>						
Basic (sen)	4.60	2.42		12.25	5.76	

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Audited Financial Statements for the year ended 31 December 2020

\*nm = not meaningful  
N/A= not applicable

Note

Revenue and profitability for the quarter and year-to-date ended 31 December 2021 would have been higher as compared with the corresponding periods last year if not for the revision of the Indonesia Export Levy and Duty on CPO. The impact is tabulated below:-

	Quarter Ended			Year-To-Date Ended		
	31.12.2021 RM'000	31.12.2020 RM'000	Variance RM'000	31.12.2021 RM'000	31.12.2020 RM'000	Variance RM'000
Indonesia Export Levy and Duty on CPO	43,567	15,119	28,448	228,135	43,316	184,819

**Condensed Consolidated Statement of Financial Position**  
**As at 31 December 2021**

	<b>As at 31.12.2021 RM'000</b>	<b>As at 31.12.2020 RM'000</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	1,609,733	1,300,073
Biological assets	400,847	407,746
Right-of-use assets	289,792	391,482
Intangible assets	51,648	49,113
Investment in an associate	82,073	84,097
Investments in joint ventures	89,462	73,571
Deferred tax assets	4,298	2,138
Other receivables	74,797	40,438
Investment securities	50	50
	<u>2,602,700</u>	<u>2,348,708</u>
<b>Current assets</b>		
Biological assets	17,346	9,251
Inventories	143,566	113,628
Trade and other receivables	49,225	60,433
Other current assets	24,215	6,050
Tax recoverable	4,631	5,018
Investment securities	3	5
Derivative assets	370	208
Short term funds	17,464	15,302
Cash and bank balances	279,728	147,832
	<u>536,548</u>	<u>357,727</u>
Assets of disposal group held for sale	154,090	465,342
	<u>690,638</u>	<u>823,069</u>
<b>TOTAL ASSETS</b>	<u><u>3,293,338</u></u>	<u><u>3,171,777</u></u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the Company</b>		
Share capital	740,512	740,512
Treasury shares	(1,467)	(1,467)
Other reserves	(208,611)	(237,857)
Retained earnings	1,110,771	952,244
	<u>1,641,205</u>	<u>1,453,432</u>
<b>Non-controlling interests</b>	<u>172,268</u>	<u>144,351</u>
<b>TOTAL EQUITY</b>	<u>1,813,473</u>	<u>1,597,783</u>
<b>Non-current liabilities</b>		
Loans and Borrowings	587,573	618,984
Retirement benefits	19,158	16,427
Lease liabilities	4,077	4,079
Deferred tax liabilities	92,131	129,149
	<u>702,939</u>	<u>768,639</u>
<b>Current liabilities</b>		
Loans and Borrowings	521,752	690,211
Trade and other payables	188,380	77,734
Derivative liabilities	1,914	3,361
Lease liabilities	506	841
Current tax payable	23,884	8,812
	<u>736,436</u>	<u>780,959</u>
Liabilities of disposal group held for sale	40,490	24,396
	<u>776,926</u>	<u>805,355</u>
<b>TOTAL LIABILITIES</b>	<u>1,479,865</u>	<u>1,573,994</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><u>3,293,338</u></u>	<u><u>3,171,777</u></u>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Audited Financial Statements for the year ended 31 December 2020

**Condensed Consolidated Statement of Changes In Equity  
For The Year-To-Date Ended 31 December 2021**

	Attributable to owners of the Company					Equity attributable to owners of the Company			
	Share Capital RM'000	Treasury Shares RM'000	Capital Reserves RM'000	Share Of Associate Reserves RM'000	Foreign Currency Translation Reserves RM'000	Retained Earnings RM'000	Company Total RM'000	Non-controlling Interests RM'000	Equity Total RM'000
<b>Balance as at 1 January 2021</b>	740,512	(1,467)	9,630	100	(247,587)	952,244	1,453,432	144,351	1,597,783
<b>Profit for the period</b>	-	-	-	-	-	169,008	169,008	32,608	201,616
<b>Other comprehensive income</b>									
Foreign currency translations	-	-	-	-	29,246	-	29,246	5,548	34,794
Remeasurements of net defined benefit liabilities	-	-	-	-	-	1,000	1,000	180	1,180
<b>Other comprehensive income for the period, net of tax</b>	-	-	-	-	29,246	1,000	30,246	5,728	35,974
<b>Total comprehensive income for the period</b>	-	-	-	-	29,246	170,008	199,254	38,336	237,590
Transactions with non-controlling interests	-	-	-	-	-	9,222	9,222	(9,222)	-
Dividends paid to owners of the Company	-	-	-	-	-	(20,703)	(20,703)	-	(20,703)
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	(1,197)	(1,197)
<b>Balance as at 31 December 2021</b>	<u>740,512</u>	<u>(1,467)</u>	<u>9,630</u>	<u>100</u>	<u>(218,341)</u>	<u>1,110,771</u>	<u>1,641,205</u>	<u>172,268</u>	<u>1,813,473</u>
<b>Balance as at 1 January 2020</b>	740,512	(1,467)	9,630	100	(199,825)	890,032	1,438,982	135,738	1,574,720
<b>Profit for the period</b>	-	-	-	-	-	79,487	79,487	10,837	90,324
<b>Other comprehensive loss</b>									
Foreign currency translations	-	-	-	-	(47,762)	-	(47,762)	(2,224)	(49,986)
Remeasurements of net defined benefit liabilities	-	-	-	-	-	(3,473)	(3,473)	-	(3,473)
<b>Other comprehensive loss for the period, net of tax</b>	-	-	-	-	(47,762)	(3,473)	(51,235)	(2,224)	(53,459)
<b>Total comprehensive (loss)/income for the period</b>	-	-	-	-	(47,762)	76,014	28,252	8,613	36,865
Dividends paid to owners of the Company	-	-	-	-	-	(13,802)	(13,802)	-	(13,802)
<b>Balance as at 31 December 2020</b>	<u>740,512</u>	<u>(1,467)</u>	<u>9,630</u>	<u>100</u>	<u>(247,587)</u>	<u>952,244</u>	<u>1,453,432</u>	<u>144,351</u>	<u>1,597,783</u>

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Audited Financial Statements for the year ended 31 December 2020

**Condensed Consolidated Statement of Cash Flows**  
**For The Year-To-Date Ended 31 December 2021**

	Year-To-Date Ended	
	31.12.2021 RM'000	31.12.2020 RM'000
<b>Cash Flows from Operating Activities</b>		
Profit before taxation	253,683	130,242
Adjustments for :-		
Depreciation and amortisation	111,194	105,459
Fair value gain on commodity futures contract	(2,786)	(305)
Net unrealised foreign exchange loss/(gain)	10,206	(5,315)
Gain on disposal of property, plant and equipment	(359)	(368)
(Write back of)/provision for impairment on trade and other receivables	(4,797)	1,156
Property, plant and equipment written off	1,299	2,815
Inventories written down	14,476	1,930
Inventories written off	1,774	14,002
Changes in fair value of financial guarantee contracts	68	(60)
Fair value loss on investment securities	2	-
Loss on disposal of a subsidiary	491	-
Gain from fair value adjustment of fresh fruit bunches (FFB)	(4,490)	(3,581)
Loss/(gain) from fair value adjustment of forest planting expenditure	9,928	(1,793)
Share of profit of joint ventures	(35,891)	(24,159)
Share of profit of an associate	(18,988)	(8,332)
Interest expense	41,058	47,758
Interest income	(8,644)	(13,281)
	<u>368,224</u>	<u>246,168</u>
Operating cash flows before working capital changes		
Changes in working capital		
(Increase)/decrease in inventories	(32,024)	30,663
Increase in receivables	(4,917)	(16,118)
Increase/(decrease) in payables	95,241	(9,372)
	<u>426,524</u>	<u>251,341</u>
Cash flows from operations		
Income tax paid	(32,973)	(16,820)
	<u>393,551</u>	<u>234,521</u>
Net cash flows from operating activities		
<b>Cash Flows from Investing Activities</b>		
Addition of right of use assets	(754)	(2,335)
Withdrawals/(placement) of deposits with maturity of over 3 months	2,145	(65)
Short-term investments	-	1,078
Purchase of property, plant and equipment	(41,250)	(49,630)
Forest planting expenditure	(3,963)	(4,106)
Proceeds from disposal of property, plant and equipment	1,172	1,617
Interest received	8,644	13,281
Dividends received	41,012	33,727
	<u>7,006</u>	<u>(6,433)</u>
Net cash flows from/(used in) investing activities		
<b>Cash Flows from Financing Activities</b>		
Net repayments of term loans/medium term notes	(151,354)	(126,798)
Net (repayments)/drawdowns in other borrowings	(63,224)	14,841
Payments of lease liabilities and lease interest	(1,299)	(1,277)
Interest paid	(40,646)	(47,336)
Dividends paid to non-controlling interests	(1,197)	-
Dividends paid to owners of the Company	(20,703)	(13,802)
	<u>(278,423)</u>	<u>(174,372)</u>
Net cash used in financing activities		
Net increase in cash and cash equivalents	122,134	53,716
Cash and cash equivalents at beginning of period	168,102	116,954
Effects of changes in exchange rates	2,517	(2,568)
<b>Cash and cash equivalents at end of period</b>	<u><u>292,753</u></u>	<u><u>168,102</u></u>

**TSH RESOURCES BERHAD**

Registration No : 197901005269 (49548-D)  
(Incorporated in Malaysia)

**EXPLANATORY NOTES FOR CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE FINANCIAL QUARTER ENDED 31 DECEMBER 2021**

**PART A – EXPLANATORY NOTES PURSUANT TO MFRS 134**

**1. Basis of preparation**

The condensed consolidated interim financial statements have been prepared in accordance with the requirements of MFRS 134: Interim Financial Reporting and Paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and should be read in conjunction with the Group’s audited financial statements for the financial year ended 31 December 2020.

These explanatory notes attached to the condensed consolidated interim financial statements provide an explanation of events and transactions that are significant for an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2020.

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2020 except for the adoption of the following Amendments to MFRSs during the current financial period.

<b>Title</b>	<b>Effective Date</b>
Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16 <i>- Interest Rate Benchmark Reform – Phase 2</i>	1 January 2021
Amendment to MFRS 16 <i>Covid-19-Related Rent Concessions beyond 30 June 2021</i>	1 April 2021

The adoption of the above standards did not give rise to significant effects on the financial statements of the Group.

As at the date of authorisation of these interim financial statements, the new and revised MFRSs and amendments to MFRSs which were in issue but not yet effective and not early adopted by the Group are :

<b>Title</b>	<b>Effective Date</b>
Annual improvements to MFRS Standards 2018 – 2020	1 January 2022
Amendments to MFRS 3 <i>Reference to the Conceptual Framework</i>	1 January 2022
Amendments to MFRS 116 <i>Property, Plant and Equipment</i> <i>- Proceeds before Intended Use</i>	1 January 2022
Amendments to MFRS 137 <i>- Onerous Contracts – Cost of Fulfilling a Contract</i>	1 January 2022
Amendments to MFRS 101 <i>Classification of Liabilities as Current or Non-current</i>	1 January 2023
MFRS 17 <i>Insurance Contracts</i>	1 January 2023
Amendments to MFRS 17 <i>Insurance Contracts</i>	1 January 2023
Amendments to MFRS 101 <i>Disclosure of Accounting Policies</i>	1 January 2023
Amendments to MFRS 108 <i>Definition of Accounting Estimates</i>	1 January 2023
Amendments to MFRS 112 <i>Deferred Tax related to Assets and Liabilities Arising from a Single Transaction</i>	1 January 2023
Amendments to MFRS 10 and MFRS 128 <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	Deferred

**TSH RESOURCES BERHAD**

Registration No : 197901005269 (49548-D)  
(Incorporated in Malaysia)

**1. Basis of preparation (continued)**

The Group will apply the above MFRSs, Amendments to MFRSs that are applicable when they become effective.

**2. Auditors' report on preceding annual financial statements**

The auditors' report on the financial statements for the year ended 31 December 2020 was unmodified.

**3. Comments on seasonal or cyclical factors**

The effects of seasonal or cyclical fluctuations, if any, are explained under Paragraphs 1 and 2 of Part B i.e. Explanatory Notes pursuant to Appendix 9B of the Main Market Listing Requirements of Bursa Securities.

**4. Unusual items**

There were no unusual items affecting assets, liabilities, equity, net income and cash flows for the financial period ended 31 December 2021.

**5. Changes in estimates**

There were no changes in estimates that have had a material impact in the current quarter results.

**6. Debt and equity securities**

During the year ended 31 December 2021, the Group repurchased and redeemed Sukuk Ijarah Medium Term Notes at nominal value of RM185 million and RM35 million, respectively. The Group also issued new Sukuk Murabahah Commercial Papers at nominal value of RM50 million. In addition, the Group redeemed Sukuk Murabahah Medium Term Notes at nominal value of RM60 million which was reissued subsequently during the year ended 31 December 2021.

Apart from the above, there were no other new issuances, cancellations, repurchases, resale and repayments of debt and equity securities.

**7. Dividends paid**

There were no dividends paid during the quarter ended 31 December 2021.

**TSH RESOURCES BERHAD**

Registration No : 197901005269 (49548-D)  
(Incorporated in Malaysia)

**8. Segmental information**

**i) Business segments**

**Business Segment For Quarter Ended**

	Palm Products		Others		Total	
	31.12.2021 RM'000	31.12.2020 RM'000	31.12.2021 RM'000	31.12.2020 RM'000	31.12.2021 RM'000	31.12.2020 RM'000
<b>SEGMENT REVENUE</b>	297,991	222,310	30,359	18,779	328,350	241,089
<b>SEGMENT PROFIT/ (LOSS)</b>	77,476	38,702	(10,919)	1,783	66,557	40,485
Unallocated corporate expenses					(5,795)	(6,840)
Gain on foreign exchange					1,878	12,473
Finance costs					(8,426)	(10,238)
Share of profit of an associate					7,301	2,157
Share of profit of joint ventures					22,788	10,367
Consolidated profit before tax					84,303	48,404

**TSH RESOURCES BERHAD**

Registration No : 197901005269 (49548-D)  
(Incorporated in Malaysia)

**8. Segmental information (continued)**

**i) Business segments (continued)**

**Business Segment For Year-To-Date Ended**

	Palm Products		Others		Total	
	31.12.2021	31.12.2020	31.12.2021	31.12.2020	31.12.2021	31.12.2020
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>SEGMENT REVENUE</b>	1,094,543	814,407	94,376	111,596	1,188,919	926,003
<b>SEGMENT PROFIT/(LOSS)</b>	286,107	145,471	(12,284)	16,163	273,823	161,634
Unallocated corporate expenses					(20,873)	(17,790)
(Loss)/Gain on foreign exchange					(13,088)	1,665
Finance costs					(41,058)	(47,758)
Share of profit of an associate					18,988	8,332
Share of profit of joint ventures					35,891	24,159
Consolidated profit before tax					253,683	130,242

**Business Segment For Year-To-Date Ended**

	Palm Products		Others		Consolidated	
	31.12.2021	31.12.2020	31.12.2021	31.12.2020	31.12.2021	31.12.2020
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>SEGMENTS ASSETS</b>	2,200,007	2,134,609	718,700	730,524	2,918,707	2,865,133
Investments in joint ventures					89,462	73,571
Investment in an associate					82,073	84,097
Deferred tax assets					4,298	6,624
Tax recoverable					4,631	7,233
Unallocated assets					194,167	135,119
Consolidated total assets					3,293,338	3,171,777
<b>SEGMENT LIABILITIES</b>	185,290	44,410	36,296	71,665	221,586	116,075
Borrowings					1,109,325	1,309,195
Lease liabilities					4,583	4,920
Deferred tax liabilities					132,621	133,075
Unallocated liabilities					11,750	10,729
Consolidated total liabilities					1,479,865	1,573,994



**TSH RESOURCES BERHAD**

 Registration No : 197901005269 (49548-D)  
 (Incorporated in Malaysia)

**8. Segmental information (continued)**
**ii) Geographical segments**

	Quarter Ended		Year-To-Date Ended			
	Total revenue from external customers		Total revenue from external customers		Non-Current Assets	
	31.12.2021	31.12.2020	31.12.2021	31.12.2020	31.12.2021	31.12.2020
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Malaysia	150,962	85,526	486,685	361,524	1,236,079	1,239,883
Indonesia	156,594	146,927	641,955	492,343	1,441,561	1,468,845
Europe	893	655	4,171	4,463	0	0
United States of America	13,570	3,935	30,893	49,831	0	1
Others	6,331	4,046	25,215	17,842	5	5
<b>Total</b>	<b>328,350</b>	<b>241,089</b>	<b>1,188,919</b>	<b>926,003</b>	<b>2,677,645</b>	<b>2,708,734</b>

**9. Changes in composition of the Group**

- i) On 4 January 2021, a new subsidiary known as PT Sejahtera Aman Sejati (“PTSAS”) was approved as a legal entity in Indonesia.

The issued and paid-up capital of PTSAS is Rupiah 2.5 billion, divided into 2,500 shares of Rupiah 1.0 million each. TSH has subscribed for a total of 1,625 shares, representing 65% of the entire issued and paid-up capital of PTSAS for a total subscription consideration of IDR 1.625 billion (or equivalent to RM468,000).

- ii) On 29 September 2021, the Company disposed its entire 70% shareholding in Ekowood S.A for a cash consideration of Euro 1 (or equivalent to RM4.90).
- iii) On 4 November 2021, the Company disposed its entire 65% shareholding in PT Kalimantan Industrial Park Indonesia to PT Kawasan Industri Kalimantan Astri for a total consideration of IDR 1.625 billion (or equivalent to RM472,874).
- iv) On 9 December 2021, the Company acquired additional 30% shareholding in Rinukut Sdn Bhd for a total consideration of RM2. Post-acquisition, Rinukut Sdn Bhd became a wholly-owned subsidiary of the Company.
- v) On 31 December 2021, a wholly-owned subsidiary of the Company, Polar Vertex Sdn Bhd commenced voluntary winding-up pursuant to Companies Act 2016.

Apart from the above, there were no other significant changes in the composition of the Group for the year ended 31 December 2021 including business combination, acquisition or disposal of subsidiaries and long-term investments, and restructuring.

**TSH RESOURCES BERHAD**

Registration No : 197901005269 (49548-D)  
(Incorporated in Malaysia)

**10. Discontinued operations**

On 26 August 2020, the Group announced that it had entered into conditional sale and purchase agreements (“CSPAs”) with Taiko Plantation Pte. Ltd. to dispose its 90% equity interests in PT Farinda Bersaudara and PT Teguh Swakara Sejahtera for a total consideration of approximately USD 141.093 million, subject to adjustments.

On 22 June 2021, the Group announced that the CSPAs were terminated as certain conditions precedent were not satisfied and have not been waived within the fulfilment period as stipulated in the CSPAs.

**11. Capital commitments**

The amount of commitments for capital expenditure as at 31 December 2021 is as follows:

	<b>As at 31.12.2021 RM'000</b>	<b>As at 31.12.2020 RM'000</b>
Approved and contracted for	20,031	20,336
Approved but not contracted for	61,058	45,819
	<u>81,089</u>	<u>66,155</u>

**12. Changes in contingent liabilities or contingent assets**

There were no material changes in the contingent liabilities and contingent assets since the last annual reporting date.

**13. Material related party transactions**

Significant transactions between the Group and its joint ventures are as follows:

	<b>Year-To-Date Ended 31 December 2021 RM'000</b>
Sales of crude palm oil	371,730
Sales of palm kernel	60,744

**14. Subsequent event**

There was no material event subsequent to the end of this reporting except for those as disclosed in Note 7 of Part B.

**TSH RESOURCES BERHAD**

 Registration No : 197901005269 (49548-D)  
 (Incorporated in Malaysia)

**PART B - EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA SECURITIES**
**1. Performance review**

(RM'000)	Quarter Ended			Year-To-Date Ended		
	31.12.2021	31.12.2020	Var. (%)	31.12.2021	31.12.2020	Var. (%)
Core profit before taxation	82,425	35,931	129%	266,771	128,577	107%
Revenue	328,350	241,089	36%	1,188,919	926,003	28%

Core profit before taxation for the quarter ended 31 December 2021 (“Q4 2021”) surged 129% to RM82.4 million and 107% to RM266.8 million for the year ended 31 December 2021 (“YTD 2021”). The Group’s revenue for Q4 2021 and YTD 2021 were RM328.4 million and RM1,188.9 million respectively, compared with RM241.1 million and RM926.0 million for the corresponding periods last year.

The revenue contributions from the respective segments are analysed as follows:

Revenue (RM'000)	Quarter Ended			Year-To-Date Ended		
	31.12.2021	31.12.2020	Var. (%)	31.12.2021	31.12.2020	Var. (%)
Palm Products	297,991	222,310	34%	1,094,543	814,407	34%
Others	30,359	18,779	62%	94,376	111,596	(15%)
<b>Total</b>	<b>328,350</b>	<b>241,089</b>	<b>36%</b>	<b>1,188,919</b>	<b>926,003</b>	<b>28%</b>

Further comments on the segment results for Q4 2021 and YTD 2021 are as follows:

**1.1 Palm Products Segment**

Profit (RM'000)	Quarter Ended			Year-To-Date Ended		
	31.12.2021	31.12.2020	Var. (%)	31.12.2021	31.12.2020	Var. (%)
Palm Products	77,476	38,702	100%	286,107	145,471	97%

This segment’s profit for Q4 2021 doubled to RM77.5 million (RM38.7 million for the quarter ended 31 December 2020 “Q4 2020”) and increased substantially to RM286.1 million for YTD 2021 (RM145.5 million for the year ended 31 December 2020 “YTD 2020”) due to significantly higher average selling prices of CPO and PK as shown below:

Avg. selling prices (RM/MT)	Quarter Ended			Year-To-Date Ended		
	31.12.2021	31.12.2020	Var. (%)	31.12.2021	31.12.2020	Var. (%)
CPO	4,347	2,741	59%	3,570	2,453	46%
PK	3,095	1,588	95%	2,363	1,378	71%

**TSH RESOURCES BERHAD**

 Registration No : 197901005269 (49548-D)  
 (Incorporated in Malaysia)

However, the increase in revenue and profit was tempered by additional Indonesia Export Levy and Duty on CPO as shown below:

(RM'000)	Quarter Ended			Year-To-Date Ended		
	31.12.2021	31.12.2020	Var. (%)	31.12.2021	31.12.2020	Var. (%)
Indonesia Export Levy and Duty	43,567	15,119	188%	228,135	43,316	427%

**1.2 Others Segment**

(Loss)/Profit (RM'000)	Quarter Ended			Year-To-Date Ended		
	31.12.2021	31.12.2020	Var. (%)	31.12.2021	31.12.2020	Var. (%)
Others	(10,919)	1,783	(712%)	(12,284)	16,163	(176%)

This segment reported a loss of RM10.9 million for Q4 2021 (Profit of RM1.8 million for Q4 2020) and loss of RM12.3 million for YTD 2021 (Profit of RM16.2 million for YTD 2020). This is due to lower cocoa butter ratio resulting from cocoa butter consumption being adversely impacted by Covid-19 pandemic.

**2. Material changes in the profit before taxation for the quarter reported on as compared with the immediate preceding quarter**

Revenue (RM'000)	Q4 2021	Q3 2021	Variance
Palm Products	297,991	286,815	11,176
Others	30,359	22,259	8,100
<b>Total</b>	<b>328,350</b>	<b>309,074</b>	<b>19,276</b>

The Group's revenue for Q4 2021 of RM328.4 million was higher compared with Q3 2021 of RM309.1 million. This is mainly attributable to higher revenue contributions from Palm Products segment, Wood division and Cocoa division.

Higher core profit before taxation of RM82.4 million was registered for Q4 2021 compared with RM68.3 million for Q3 2021 due to higher average selling prices on CPO.

The higher core profit before taxation was also attributable to higher share of profit contributions from joint ventures and associate. Accordingly, a higher profit before taxation for Q4 2021 of RM84.3 million was achieved compared with RM65.7 million in Q3 2021.

## TSH RESOURCES BERHAD

Registration No : 197901005269 (49548-D)  
 (Incorporated in Malaysia)

### 3. Commentary on the prospects

CPO price has continued to trend upwards since the start of year 2022 driven by palm oil supply tightness as well as stronger soybean oil and crude oil prices. It is anticipated the CPO price will remain elevated in the near future which augurs well for the near term earnings prospects of the Group. Barring any unforeseen circumstances, the Group is optimistic of achieving satisfactory performance for year 2022.

The Board also remains optimistic on the long term prospect of the palm oil industry. Restrained hectareage growth in oil palm planting over the last few years due to RSPO regulations and Indonesian Government's moratorium on deforestation will have an impact over the global palm oil supply. Global population and per capita income growth as well as the many health qualities of palm oil are expected to drive greater demand for palm products. This augurs well for the Group as palm products segment which accounts for approximately 92% of the revenue for the Group will remain the core contributor to the Group profit.

### 4. Profit forecast or profit guarantee

The Group is not involved in any profit guarantee arrangement or providing any forecast profit.

### 5. Profit Before Taxation

Profit before taxation was arrived at after charging/(crediting) the following items:

	<b>Quarter Ended 31.12.2021 <u>RM'000</u></b>	<b>Year-To- Date Ended 31.12.2021 <u>RM'000</u></b>
Interest income	(2,079)	(8,644)
Interest expense	8,426	41,058
Rental income	(315)	(1,139)
Depreciation and amortisation	27,553	111,194
Fair value loss/(gain) on derivatives		
- Forward currency contracts	125	(549)
- Commodity futures contracts	(9,483)	(2,786)
Gain from fair value adjustment of FFB	(1,131)	(4,490)
Inventories written down	3,899	14,476
Loss on commodity futures contracts	19,064	43,999
Net foreign exchange loss/(gain)		
- Realised	1,592	2,882
- Unrealised	(3,595)	10,755
Property, plant and equipment written off	332	1,299
Write back of impairment on trade and other receivables	(426)	(4,797)

**TSH RESOURCES BERHAD**

Registration No : 197901005269 (49548-D)  
(Incorporated in Malaysia)

**6. Taxation**

	<b>Quarter Ended 31.12.2021 <u>RM'000</u></b>	<b>Year-To-Date Ended 31.12.2021 <u>RM'000</u></b>
Current tax:		
Malaysian income tax	3,195	9,678
Foreign tax	6,384	41,181
Under provision in prior years:		
Malaysia income tax	(195)	(193)
Foreign tax	1	1
Deferred tax:		
Relating to reversal of temporary differences	1,723	1,400
	<u>11,108</u>	<u>52,067</u>

The effective tax rate of the Group for the year-to-date ended 31 December 2021 is higher than the statutory tax rate mainly due to deferred tax assets not recognised for certain subsidiaries coupled with non-deductibility of certain expenses for taxation purpose.

**7. Corporate proposals**

- (i) On 6 July 2021, the Group announced that it had entered into sale and purchase agreements with Sharikat Keratong Sdn. Bhd. for the proposed disposal of two oil palm estates (namely Ladang Gomantong (“SPA 1”) and Ladang Ong Yah Ho (“SPA 2”)) and one palm oil mill (namely Lahad Datu Palm Oil Mill (“SPA 3”) in Sabah for a total cash consideration of RM248.0 million (collectively referred to as “Proposed Disposal”).

Following the receipt by the Vendors’ solicitors, as stakeholders, of 2 banker cheques from the Purchaser for the payment of the balance of the disposal consideration for SPA 2 and SPA 3, the Group delivered vacant possession of Ladang Ong Yah Ho and Lahad Datu Palm Oil Mill to the Purchaser on 23 February 2022.

In relation to SPA 1, the parties to the agreement had mutually agreed to extend the conditions precedent period to 4 April 2022.

The entire Proposed Disposal is expected to be completed by the 1<sup>st</sup> quarter of 2022.

**TSH RESOURCES BERHAD**

 Registration No : 197901005269 (49548-D)  
 (Incorporated in Malaysia)

- (ii) On 9 December 2021, the Group announced that PT Bulungan Citra Agro Persada (“BCAP”), a 90% owned subsidiary of TSH entered into a heads of agreement with PT Kawasan Industri Kalimantan Indonesia and PT Kalimantan Industrial Park Indonesia for the proposed disposal of 7 pieces of agricultural land measuring approximately 13,214.90 Hectare located in Kalimantan, Indonesia for an indicative disposal consideration of IDR 2,309,435,924,000 (equivalent to RM678,974,162) and uncertified land at IDR 174,760,000 (equivalent to RM51,379) per hectare to be fully satisfied in cash.

Apart from the above, there was no other corporate proposal announced and not completed as at the date of this quarterly report.

**8. Group Borrowings and Debt Securities**

Comprised:

	As at 31.12.2021					
	Short term		Long term		Total	
	Foreign denomination RM'000	RM denomination RM'000	Foreign denomination RM'000	RM denomination RM'000	Foreign denomination RM'000	RM denomination RM'000
Secured	46,523	23,200	243,477	99,362	290,000	122,562
Unsecured	134,321	317,708	14,578	230,156	148,899	547,864
<b>Total</b>	<b>180,844</b>	<b>340,908</b>	<b>258,055</b>	<b>329,518</b>	<b>438,899</b>	<b>670,426</b>

**9. Derivatives**

The forward currency contracts are entered into by the Group as hedges for committed sales and purchases denominated in foreign currencies. The hedging of the foreign currencies is to minimise the exposure of the Group to fluctuations in foreign exchange on receipts and payments. The commodity futures contracts are entered into with the objective of managing and hedging the Group's exposure to the adverse price movements in the CPO and cocoa commodities.

As at 31 December 2021, the values and maturity analysis of the outstanding derivatives were as follows:-

	Contract/notional amount RM'000	Assets RM'000	Liabilities RM'000	Maturity Profile
<b>Group</b>				
<b>Non-hedging derivatives :</b>				
<b>Current</b>				
Forward currency contracts	15,147	370	-	Less than 1 year
Commodity futures contracts	64,384	-	(1,914)	Less than 1 year
	<b>79,531</b>	<b>370</b>	<b>(1,914)</b>	

**TSH RESOURCES BERHAD**

Registration No : 197901005269 (49548-D)  
(Incorporated in Malaysia)

**10. Changes in material litigation**

The Group is not engaged in any material litigation and is not aware of any proceedings which might materially affect the Group for the current financial year.

**11. Proposed Dividend**

The Board of Directors declares an interim dividend of 3.0 sen per ordinary share for the current quarter and year ended 31 December 2021.

**12. Earnings per share**

**(a) Basic earnings per share**

Basic earnings per share is calculated by dividing profit for the period attributable to ordinary shareholders of owners of the Company by the weighted average number of ordinary shares in issue during the period, excluding treasury shares held by the Company.

	Quarter Ended		Year-To-Date	
	31.12.2021	31.12.2020	31.12.2021	31.12.2020
Net profit attributable to shareholder (RM'000)	63,433	33,347	169,008	79,487
Weighted average number of ordinary shares in issue ('000)	1,380,174	1,380,174	1,380,174	1,380,174
Basic earnings per ordinary share (sen)	4.60	2.42	12.25	5.76

**(b) Diluted earnings per share**

This is not applicable as there are no dilutive securities currently issued by the Company.

**13. Authorisation for Issue**

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 24 February 2022.